

SECRET

71

#199

EASTERN EUROPEAN INTELLIGENCER OCI #0994/72
24 Oct. 1972Does the Year 1973 Foreshadow Improved US-Bulgarian Relations?

The year 1963 marked the high-point in US-Bulgarian relations since the end of World War II. It is not an objective law that history must repeat itself, but many external similarities between 1963 and prospects for 1973 suggest that the coming year could be a good one for relations between Sofia and Washington.

In 1963, Secretary of Commerce Hodges became the first and only US cabinet member since well before World War II to visit Bulgaria; a claims agreement, providing for the settlement of claims of US nationals arising out of war damage, nationalization of property, and financial debts, was signed; and, Bulgarians of the rank of deputy premier and politburo member were known to accept dinner invitations to the American Minister's residence.

This relatively "golden period" of US-Bulgarian relations accompanied, not coincidentally, a similar warming of relations between the US and the USSR. On the upswing from the trauma of the Cuban missile crisis, US-Russian relations in 1963 were given increased impetus by Moscow's need to buy large amounts of American grain to compensate for a disastrous Soviet harvest, and this warming trend was capped by signature in August of the nuclear test ban treaty.

Some recent developments in US-Soviet ties resemble those in 1963. Tension stemming from US mining of selected North Vietnamese ports has been overcome; another disastrous Soviet harvest has created an even greater Russian need to buy American grain than in 1963; and, the SALT agreements of May 1972 are no less important than the partial test ban treaty of 1963.

Although tangible indicators that US-Bulgarian relations will improve greatly in 1973 are thin, there nevertheless are some. Foremost is the fact that the influence on Bulgaria of the Soviet example is not substantially less than it was a decade ago. Moreover, Sofia and Washington have agreed to a visit to the US early in 1973 by Bulgarian Deputy Premier Popov, and he can be expected to press for a reciprocal visit by a high-ranking US official sometime later in the year,

25X1

SECRET

SECRET

-2-

In addition, the Bulgarians have entered into unusually close cooperation (for them) with US authorities and agencies with respect to controlling the flow of illicit drugs.

Opposing views in Washington and Sofia of what constitutes improved relations may inhibit their development, however. Given their druthers, the Bulgarians, for example, would like to confine improved bilaterals essentially to the economic-technical field, and this conflicts with the US view of promoting an across-the-board improvement. A second major impediment appears to be the conflict between the discussion of freer movement of persons and ideas at a CSCE and the current Bulgarian campaign to step up efforts to combat bourgeois influence on the cultural front.

On balance, we are inclined to believe that the Bulgarians will not allow either of the above potential impediments to hinder the development of relations with the US. The Bulgarians have been responsive to apparent Soviet instructions to smooth over the differences with the Yugoslavs. This being the case, it seems probable that Sofia can be nudged into pursuing a broader and more positive course in its relations with Washington.

Yugoslavs Protest Emigre Violence in New York

The Socialist Alliance (SAWPY), Yugoslavia's largest mass organization, yesterday announced its "profound indignation" over Croat emigre demonstrations in New York that reportedly included an attack on the consul-general.

The demonstrations were held on Saturday and Sunday and centered on the Yugoslav consulate and UN headquarters. According to Belgrade Tanjug, some 200 emigres participated and one demonstrator penetrated the consulate and assaulted Consul-General Zoran Bulajic. Bulajic apparently was not hurt but a second official was attacked on the street and required medical attention. The emigres also burned a Yugoslav flag. Tanjug described the emigres as "Ustashi terrorists" who were openly demanding the splitting up of the Yugoslav federation. The demonstration was called to protest the recent trials of Croatian intellectuals in Zagreb.

The sharp wording of the SAWPY protest included the charge that "terrorist attacks against Yugoslavia are tolerated by

SECRET

-3-

the US." It will almost certainly be followed by a diplomatic demarche. Although US efforts on terrorist activity in the international arena have drawn appreciative applause in Belgrade, incidents like the demonstrations in New York threaten to have damaging influence on bilateral relations.

25X1

First Cracks in Serb Party Support for Nikezic and Company

The provincial party of the Vojvodina, affiliated with the Serb party whose leadership was attacked by Tito last week, seems to be splitting up into factional camps. On Sunday, the party organization of the provincial capital in Novi Sad issued a stinging rebuke to both the leadership of the provincial party and of the Serb republic party. The Novi Sad organization charged these leaders with obstructing Tito's party reforms and of trying to hide this opposition behind a screen of verbal support. It also demanded that the Serb central committee follow Tito's directions and replace the current leadership of Marko Nikezic. Immediately following this news release the leadership of the Vojvodina party replied with a statement rejecting these charges as "groundless" and as an attempt to "disqualify morally and politically the provincial committee and its organs as unprepared to take responsibility."

The provincial committee's rather weak response will only invite further attacks and further wrangling appears inevitable. With Vojvodina party leader Mirko Canadanovic out of the country, (see Intelligencer, 20 October) the brushfire of factionalism will spread quickly. Canadanovic's leadership is also questioned by the attack of the Novi Sad party unit, and this unexpected turn may damage his ability to emerge from the situation without political blemish.

In Serbia proper there is a perceptible drift toward demanding some kind of self-criticism by Nikezic. It is, however, unlikely that Tito would accept such a compromise after he has already shown his anger over Nikezic's refusal to make self-criticism a week ago. If Nikezic should make even partial self-criticism he would only open the door to demands for a fuller mea culpa. There is still no word on the date for the Serb central committee plenum which is to decide whether to sack Nikezic.

25X1

25X1

SECRET

25X1

Approved For Release 2006/03/16 : CIA-RDP79B00864A001200020041-2

SECRET

-4-

Poles Name New Ambassador to West Germany

The Polish Council of State on 20 October named Wacław Piatkowski to be Ambassador to the Federal Republic of Germany. The 52-year old Piatkowski is not a career diplomat and has served most recently as head of the Polish Foreign Trade Mission in Cologne. He has a fairly unspectacular curriculum vitae; a grain expert, he has spent most of his career with Rolimpex, an enterprise that deals primarily with agricultural exports. He has served with the trade mission in New York and speaks English well. The new ambassador has been described as informal, friendly and frank, and he is a member of the party. His appointment has been expected since mid-September when diplomatic relations between the two countries were formally established

25X1

25X1

Approved For Release 2006/03/16 : CIA-RDP79B00864A001200020041-2

SECRET

25X1

SECRET**INTELLIGENCER ANNEX****More Personnel Changes in Romanian Party Are Expected**

The recent spate of personnel changes in the government can be expected to lead a realignment of the membership of elite bodies of the party as well. (see Intelligencers, 12 and 19 October). In view of often contradictory and inconclusive reports about the party leadership, this item will discuss the timing and reasons for the expected party shifts and speculate on likely changes,

There is no indication of when the changes will occur, but they almost certainly will be announced following a plenum of the central committee which we anticipate by early November. By that time, Ceausescu will have returned from his visits to Belgium and Luxembourg slated for 24-28 October. Moreover, nearly three and one-half months will have passed since the last plenum held on the eve of the national party conference in mid-July. The party shifts are necessary, sooner rather than later, both to mesh the party and government apparatus and to get the economy moving in time to announce pre-fulfillment of the current five-year plan at the eleventh party congress which probably will be held in the latter half of 1974. Furthermore, now that Ceausescu is also personally accountable for economic performance, (he was named chairman of the Supreme Council for Economic and Social Development at the party conference) new impetus will be given to assembling a more efficient team of economic managers.

With no new appointments since February 1971, an altered and slightly expanded membership of the Permanent Presidium (politburo) appears likely. More than anything else, these shifts probably will reflect factors such as the reported intellectual "topping out" of individuals like Ilie Verdet and Virgil Trofin as well as the unrealistic optimism and political savvy of a technical expert such as Manea Manescu. They thus can be nudged downward to posts from which their ability can be equally well tapped.

Probable new politburo members include Janos Fazekas (46), an ethnic Hungarian who is considered one of Ceausescu's closest advisers on internal and minority problems; Ion Stanescu (43), the new Minister of Internal Affairs in whom Ceausescu appears to place much confidence; and, Cornel Burtica (41), formerly the Minister of Foreign Trade and a loyal exponent of Ceausescu's policy of economic independence. Of these three men, Romania's current economic

SECRET

SECRET

-A2-

problems appear to give the edge to Burtica, but Stanescu runs a close second.

Personnel shifts can also be expected in the secretariat. Since January, Ceausescu has named four new secretaries. As a result, the secretariat has become a group with stronger technical expertise but weaker political ability. Among the four remaining members, appointed between July 1965 and August 1969, "cultural czar" Dumitru Popescu appears the most likely to be replaced. Miron Costantinescu, appointed last week to be chairman of the Economic Council, is a likely successor. Known as an "intellectual" and with a following in Romanian cultural circles, he is also the closest to being a "liberal" at the national level.

Membership on the Executive Committee, however, will most likely feel the brunt of change. With 21 full and 17 alternate members, it is the party's largest elite agency, and Ceausescu packed it with alternate appointees in 1970-71. Florian Danalache and Dumitru Popescu are the full members most likely to be dropped, while deputy premier and foreign trade minister Ion Patan is the alternate member most likely to be promoted to full membership. Other alternate members ripe for promotion are Mihai Dalea, Burtica and Constantinescu. 25X1